

TOWN OF CHATHAM
488 State Route 295
Chatham, NY 12037

TOWN BOARD MEETING
May 16, 2019
6:00 PM

PRESENT

Supervisor Maria Lull, Councilman Bob Balcom, Councilman Michael Richardson, Councilman John Wapner, Highway Superintendent Joe Rickert, Town Clerk Beth Anne Rippel, Town Attorney Sal Ferlazzo

Supervisor Lull called the meeting to order and followed with the pledge to the flag.

PRESENTATION TO HIGHWAY DEPARTMENT RETIREES

- Timothy Calyer and Darrell Dutcher

Supervisor Lull thanked the retirees (Tim Cayler was not in attendance) for their years of dedicated service to the Town. Highway Superintendent Joe Rickert presented a plaque to Darrell Dutcher and thanked him for his friendship and loyalty throughout the last thirty years.

CORRESPONDENCE

- Announcement by the Hudson River Watershed Alliance on the Wave Maker Awards to be given to Maria Lull, Supervisor, Joe Rickert, Highway Superintendent, Tracy Brown and Vince Dubois of Trout Unlimited for their tireless efforts in producing a Road Stream Crossing Management Plan for the Town of Chatham.

Lull praised Rickert for the work he and Brown had done to identify all the culverts in Town and to prioritize their condition in order to form a replacement schedule. They hope to address the problem areas in the next five years. The 290K grant through Trout Unlimited was enough to pay for four projects, there was no expenditure of tax payer money for culvert replacement.

PUBLIC COMMENT STATEMENT

The Chatham Town Board appreciates information received from the public during the Public Comment portion of each meeting, which often is very helpful in the governance of the Town. It is, however, not intended to be a debate with the public or a question and

answer period. Issues raised during the public comment may be addressed by the Board during its regular meeting or by the Supervisor between meetings as necessary. As a courtesy to the other members of the public, there is a 5 minute per person limitation on oral comments for each public comment period. The public is also encouraged to provide the Board with written comments or materials when the subject matter cannot be presented in this time frame. Of course, while the Board discourages any remarks which may be considered defamatory or stigmatizing, it will not restrict the content of the public comment.

PUBLIC COMMENT

None

SUB-COMMITTEE REPORTS

- Report by Councilman Wapner and Councilman Weldon regarding the Park & Recreation Committee. Weldon reported that there is a new senior group at the Morris. CARP is sponsoring a work day at the Children's Garden. Donations for some of the projects came from Mario's Home Center, and Tipple Lumber of Ghent. The new Director of the CG attended to work day. Bids will go out for the pavilion project. Work to start in August and be complete by the end of December.
- Report by Councilman Richardson on the meeting of the Citizens Finance and Planning Committee. Richardson said they will be meeting on June 7, at 1PM at the Tow Hall.
- Report by Councilman Weldon and Councilman Balcom on Climate Smart Community Committee. Minutes are on file.
- Report by Councilman Michael Richardson on Economic Stabilization Committee. Richardson met with the Village about court issues, handicapped access and economic development opportunities. Expansion will depend upon the availability of sewer and water.

REPORTS

- Highway Department – on file
- Assessor – on file
- Code Enforcement/Building Inspector – on file
- Dog Control – on file
- Environmental Management Council
- Finance Department Report – on file
- Justice Court – on file
- Office of the Aging Advisory Board

- Recreation Director - on file
- Supervisor's Report - on file
- Town Accounting firm - Monthly Financial Report & Abstract - on file
- Town Attorney -
- Town Clerk - on file

NEW BUSINESS

- Host Compliance agreement - Lull reported that Ferlazzo has redrafted the contract and is asking HC to revise the contract so the Building Department will be up to speed before the new zoning law takes effect. Wapner asked if HC could meet with the Board to go over the service they will be providing to the Town. Lull said maybe they will do a video conference.
- Report and recommendation by the Communications Committee and Citizen's Finance & Planning Committee's analysis of the telephone and Internet service providers for town facilities.
- Annual Financial Report Update Document for 12/31/18 submitted to Office of the State Comptroller. Richardson brought the Town up to speed on what they have done with the A, B, DA and DB funds.

OLD BUSINESS

- Establish Reserve Fund Balance accounts - the establishment of a reserve fund policy started two years ago. Balcom stated that reserve funds in the past may not have been set up correctly. Richardson said that for the past four years there has been a negative fund balance. Lull said that the Town has realized a "wonderful comeback". Richardson stated that there is 715K just "sitting in the cookie jar" in DB. They're going to put money in the capital fund for equipment.
- Review 5/6/19 Frequently Asked Questions on Short Term Rentals - edits were made to #8 and #13 and it's ready for posting.
- Procurement Policy and Procedures Local Law No. 3 is ready to go to public hearing.

RESOLUTIONS

***Resolution 110-2019** to accept the financial abstract as presented to pay the Town bills. Offered by Councilman Weldon and seconded by Councilman Wapner.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

- **Resolution 111-2019** to accept the Town Account's financial Supervisor's Report of April

30, 2019. Offered by Councilman Richardson and seconded by Councilman Balcom.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 112-2019** to approve the minutes of the Town Board Meeting(s) March 21 (3 meetings) and April 18, 2019. Offered by Councilman Weldon and seconded by Councilman Balcom.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 113-19** to authorize speed reduction request to DOT on County Route 13 and Albany Turnpike Road. WHEREAS, the Town of Chatham Superintendent of Highways, Joseph Rickert, has received a request for a Speed Limit Reduction on County Route 13, from Brainard to Albany Turnpike Road in the hamlet of Old Chatham and then from Albany Turnpike Road to State Route 66; and NOW THEREFORE, BE IT RESOLVED, that the Chatham Town Board authorizes a TE9a application to be submitted to NYS Department of Transportation requesting a speed limit reduction on County Route 13, from Brainard to Albany Turnpike Road in the hamlet of Old Chatham and then from Albany Turnpike Road to State Route 66. Offered by Councilman Weldon and seconded by Councilman Wapner.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 114-2019** to authorize Time Warner/Charter agreement.

WHEREAS, the Town Board of the Town of Chatham has communicated with TIME WARNER CABLE NORTHEAST LLC/Charter Communications, Inc., a telecommunications corporation, having its place of business at 20 Century Hill Drive, Latham, NY 12110, concerning Broadband, and WHEREAS, Time Warner Cable Northeast/Charter Communications has Agreed to provide confidential information that relates to a potential business transaction upon the terms of a Mutual Confidentiality and Nondisclosure Agreement, NOW, THEREFORE, BE IT RESOLVED, that the Supervisor is authorized to execute the above agreement on behalf of the Town of Chatham. Offered by Councilman Weldon and seconded by Councilman Wapner.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 115-2019** to approve Town of Kinderhook Intermunicipal Agreement for children's swim program. WHEREAS, the Town Board authorizes entering into an Intermunicipal Agreement with the Town of Kinderhook in conducting the Crellin Community Park Summer Children's Recreation Swim Program, and NOW, THEREFORE, BE IT RESOLVED, the Town Board of the Town of Chatham does hereby authorize the Town

Supervisor to sign an agreement with the Town of Kinderhook to provide a recreation children's swim program for 30 children of the Town of Kinderhook from July 8 to August 16, 2019 for the amount of \$1,275.00. Offered by Councilman Weldon and seconded by Councilman Wapner.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 116-2019** to amend the Fund Balance Policy.

WHEREAS, the Town Board of the Town of Chatham has determined that it is essential that the Town government maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates, and

NOW, THEREFORE, BE IT RESOLVED that the Town Board amends, approves, and institutes the following Fund Balance Policy effective as of May 16, 2019 which shall supersede any existing or prior Policy:

PURPOSE OF POLICY

This **Fund Balance Policy** is based upon recommendations from the New York State Comptroller that each municipality have a written fund balance policy based on GASB 54 recommendations issued April of 2011. This **Fund Balance Policy** is to guide the Town Board in funding adequate reserves to provide the capacity to:

- ensure sufficient cash flow for daily financial requirements;
- guard against significant economic downturns;
- protect against unforeseen expenditures related to emergencies;
- maintain investment grade bond ratings; and,
- provide a framework to help guide budgetary decisions.

This **Fund Balance Policy** applies to the following funds:

- General Fund (A),
- General Town-Outside-Village Fund (B),
- Highway Town-wide Fund (DA), and,
- Highway Part-Town Fund (DB).

FISCAL SOUNDNESS: SURPLUS/DEFICITS and FUND BALANCE

The concept of "fund equity" represents the total of the Town's assets, this includes **reserved** and **unreserved** fund balances. These fund balances are not shown in the annual Town budget document, but it is important to find out about them and their size relative to the budget as a whole.

Reserved fund balance represents assets (money) set aside for specific purposes. For example, snow removal equipment replacement and other specific capital expenditures. These funds are unavailable for any other use.

Unreserved fund balance represents the amount after subtracting the reserved fund balance from the total fund equity. Unreserved fund balances are used to manage short-term variations in actual revenues and expenditures from one year to another, to protect against risks and other potential budget shortfalls, and to assure a consistent cash flow for the Town so it can pay its bills throughout the year.

The amount of the unreserved fund balance is the bottom-line indicator of Town's fiscal health: if it dips below zero for any year, that means the Town does not have enough unreserved fund balance to cover all necessary expenses – even if the Town's total fund equity (including dedicated reserves) for that year is still positive.

This **Fund Balance Policy** is to guide the Town Board in maintaining reasonable **unreserved fund balance** in the **General Fund** and the **Highway Fund** against unanticipated expenditures or revenue shortfalls. The New York State Government Finance Officers' Association recommends that municipalities maintain an **unreserved fund balance** of at least two months of **annual total appropriations** as insurance against unanticipated expenditures or revenue shortfalls. [Note: 2 months is equal to 17% of annual total expenditures].

CLASSIFICATIONS

Nonspendable fund balance (806 & 807) consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.

Restricted fund balance consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or through constitutional provisions or enabling legislation.

Examples: Capital Reserve; Reserve for Contingency and Tax Stabilization; Workers' Compensation Reserve; Unemployment Insurance Reserve; Retirement Contribution Reserve.

Committed fund balance (913) consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.

Assigned fund balance (914 & 915) consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned fund balance (917) represents the residual classification for the government's General Fund and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or unassigned.

PROCEDURES

1. When resources are available from multiple classifications, the Town spends funds in the following order: restricted, committed, assigned, unassigned.
2. The Town Board is the decision-making authority that can commit fund balance. The action to commit fund balance must occur prior to the fiscal year-end in order to report such commitments in the financial statements of the respective period. The commitment may only be modified by a resolution authorized by the Town Board. [Note: <https://osc.state.ny.us/localgov/pubs/releases/gasb54.pdf> - page 4]
3. The Town Supervisor has been authorized to assign "unrestricted fund balance" amounts (defined as the total of the committed, assigned, and unassigned fund balance classifications) where the Town's intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements. [Note: <https://osc.state.ny.us/localgov/pubs/releases/gasb54.pdf> - page 4]
4. Whereas local governments may carry over a reasonable amount of "unrestricted fund balance" (defined as the total of the committed, assigned, and unassigned fund

balance classifications) from one year to the next, the Town Board is to apply the following guidelines as they apply to assigned and unassigned fund balances:

General Fund (A) - Unassigned Fund Balance (A917)

The Town Board shall give consideration in striving to maintain an **Unassigned Fund Balance** (A917) of not less than 15% and not more than 25% of the of the appropriations of the current year's General Fund budget.

In the event that the Unassigned Fund Balance (A917) be more than 25% of the prior year appropriations in the General Fund, the Town Board shall give consideration in placing the excess into one or all of the following Reserve Funds: 1) General Reserve Fund for Crellin Park (A870); 2) General Reserve Fund for Economic Development (A870: sub-A876); 3) Capital Reserve Fund for Municipal Buildings (A878); 4) Reserve Fund for Contingency and Tax Stabilization (A880); or, 5) other fund as appropriate.

In the event that the Unassigned Fund Balance (A917) be less than 8% of the prior year appropriations in the General Fund, the Town Supervisor shall make a recommendation to the Town Board to restore the balance to the minimum level over a period not to exceed three years.

General Town-Outside-Village Fund (B) - Assigned Unappropriated Fund Balance (B915)

The Town Board shall give consideration in striving to maintain an **Assigned Unappropriated Fund Balance** (B915) of not less than 15% and not more than 25% of the appropriations of the current year's General Town-Outside-Village Fund budget.

In the event that the Assigned Unappropriated Fund Balance (B915) be more than 25% of the prior year appropriations in the General Town-Outside-Village Fund, the Town Board shall give consideration in either: 1) placing the excess into a Reserve Fund for Contingency and Tax Stabilization (B880) or other fund as appropriate; or, 2) taking no action and leaving the excess as an Assigned Unappropriated Fund Balance.

In the event that the Assigned Unappropriated Fund Balance (B915) be less than 8% of the prior year appropriations in the General Town-Outside-Village Fund, the Town Supervisor shall make a recommendation to the Town Board to restore the balance to the minimum level over a period not to exceed three years.

Highway Town-wide Fund (DA) - Assigned Unappropriated Fund Balance (DA915)

The Town Board shall give consideration in striving to maintain an Assigned Unappropriated Fund Balance (DA915) in the Highway Town-wide Fund of not less than 15% and not more than 25% of the appropriations of the current year's Highway Town-wide Fund budget.

In the event that the Assigned Unappropriated Fund Balance (DA915) be more than 25% of the prior year appropriations in the Highway Town-wide Fund, the Town Board shall give consideration in either: 1) placing the excess into a Reserve Fund for Contingency and Tax Stabilization (DA880) or other fund as appropriate; or, 2) taking no action and leaving the excess as an Assigned Unappropriated Fund Balance.

In the event that the Assigned Unappropriated Fund Balance (DA915) be less than 8% of the prior year appropriations in the Highway Town-wide Fund, the Town Supervisor shall make a recommendation to the Town Board to restore the balance to the minimum level over a period not to exceed three years.

Highway Part-Town Fund (DB) - Assigned Unappropriated Fund Balance (DB 915)

The Town Board shall give consideration in striving to maintain an Assigned Unappropriated Fund Balance (DB915) of not less than 40% of the appropriations of the current year's Highway Part-Town Fund budget.

In the event that the Assigned Unappropriated Fund Balance (DB915) be more than 40% of the prior year appropriations in the Highway Part-Town Fund, the Town Board shall give consideration in placing the excess into one or all of the following Reserve Funds: 1) Capital Reserve Fund for Highway (DB878); 2) Reserve Fund for Contingency and Tax Stabilization (DB880); or, 3) other fund as appropriate.

5. The Town Supervisor shall report the amount and percentage of applicable fund unexpended surplus funds to the Town Board upon completion of the Annual Update Document (AUD) each year.

Motion Made by Councilman Richardson and seconded by Councilman Balcom.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 117-2019** to establish a Contingency & Tax Stabilization Reserve Fund.

WHEREAS, The Chatham Town Board has established a Fund Balance Policy in order to maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates, and WHEREAS, The Town Board shall give consideration in striving to maintain an Unassigned Fund Balance (A917) of not less than 15% and not more than 25% of the of the appropriations of the current year's General Fund budget, and WHEREAS, In the event that the Unassigned Fund Balance (A917) is more than 25% of the prior year appropriations in the General Fund, the Town Board shall give consideration in placing the excess into one or all of the following Reserve Funds: 1) General Reserve Fund for Crellin Park (A870); 2) General Reserve Fund for Economic Development (A870: sub-A876); 3) Capital Reserve Fund for Municipal Buildings (A878); 4) Reserve Fund for Contingency and Tax Stabilization (A880); or, 5) other fund as appropriate,

NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 6-e of the General Municipal Law, as amended, there is hereby established a reserve fund to be known as the "Contingency and Tax Stabilization Reserve Fund" (hereinafter "Reserve Fund"). The purpose of this Reserve Fund is to accumulate moneys to finance the cost of unanticipated revenue loss or unanticipated expenditures chargeable to the annual budget and to lessen or prevent increases in excess of 2.5% of the amount of the real property tax levy needed to finance the eligible portion of the annual budget.

The initial deposit into this Reserve Fund for Contingency and Tax Stabilization (A880), which is no more than 10% of the appropriation for Fund "A" of the 2018 final budget of the Town of Chatham, shall be \$91,000.

The chief fiscal officer is hereby directed to deposit and secure the moneys of this Reserve Fund in the manner provided by Section 10 of the General Municipal Law. The chief fiscal officer may invest the moneys in the Reserve Fund in the manner provided by Section 11 of the General Municipal Law, and consistent with the investment policy of the Town of Chatham. Any interest earned or capital gains realized on the moneys so deposited or invested shall accrue to and become part of the Reserve Fund. The chief fiscal officer shall account for the Reserve Fund in a manner which maintains the separate identity of the Reserve Fund and shows the date and amount of each sum paid into the fund, interest earned by the fund, capital gains or losses resulting from the sale of investments of the fund, the amount and date of each withdrawal from the fund and the total assets of the fund, showing cash balance and a schedule of investments, and shall, at the end of each fiscal year, render to the Board a detailed report of the operation and condition of the Reserve Fund.

Except as otherwise provided by law, expenditures from this Reserve Fund shall be made only for the purpose for which the Reserve Fund is established. No expenditure shall be

made from this Reserve Fund without the approval of this governing board and such additional actions or proceedings as may be required by Section 6-e, subdivision 4-a of the General Municipal Law or any other law.

This resolution is subject to a permissive referendum and the Town Clerk shall publish and post notice of permissive referendum pursuant to Town Law.

Motion Made by Councilman Richardson and seconded by Councilman Balcom

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 118-2019** to establish a General Reserve Fund for Crellin Community Park. WHEREAS, The Chatham Town Board has established a Fund Balance Policy in order to maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates, and WHEREAS, The Town Board shall give consideration in striving to maintain an Unassigned Fund Balance (A917) of not less than 15% and not more than 25% of the of the appropriations of the current year's General Fund budget, and WHEREAS, In the event that the Unassigned Fund Balance (A917) is more than 25% of the prior year appropriations in the General Fund, the Town Board shall give consideration in placing the excess into one or all of the following Reserve Funds: 1) General Reserve Fund for Crellin Park (A870); 2) General Reserve Fund for Economic Development (A870: sub-A876); 3) Capital Reserve Fund for Municipal Buildings (A878); 4) Reserve Fund for Contingency and Tax Stabilization (A880); or, 5) other fund as appropriate,

NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 6-c of the General Municipal Law, as amended, there is hereby established a reserve fund to be known as the "General Reserve Fund for Crellin Park" (hereinafter "Reserve Fund"). The purpose of this Reserve Fund is to accumulate moneys to finance the cost of capital improvements. The type of capital improvements to be financed from the Reserve Fund is the construction and improvement of the buildings and infrastructure at the Crellin Community Park.

The deposit into this General Reserve Fund for Crellin Park (A870: sub-A8711) shall be \$166,734. [Note: This along with the current amount of \$7,726 in A870: subA871 brings the total of the two General Reserve Funds for Crellin Park to \$174,460].

The chief fiscal officer is hereby directed to deposit and secure the moneys of this Reserve Fund in the manner provided by Section 10 of the General Municipal Law. The chief fiscal officer may invest the moneys in the Reserve Fund in the manner provided by Section 11 of the General Municipal Law, and consistent with the investment policy of the Town of Chatham. Any interest earned or capital gains realized on the moneys so deposited or invested shall accrue to and become part of the Reserve Fund. The chief fiscal officer shall account for the Reserve Fund in a manner which maintains the separate identity of the

Reserve Fund and shows the date and amount of each sum paid into the fund, interest earned by the fund, capital gains or losses resulting from the sale of investments of the fund, the amount and date of each withdrawal from the fund and the total assets of the fund, showing cash balance and a schedule of investments, and shall, at the end of each fiscal year, render to the Board a detailed report of the operation and condition of the Reserve Fund.

Except as otherwise provided by law, expenditures from this Reserve Fund shall be made only for the purpose for which the Reserve Fund is established. No expenditure shall be made from this Reserve Fund without the approval of this governing board and such additional actions or proceedings as may be required by Section 6-c of the General Municipal Law or any other law, including a permissive referendum if required by subdivision 4 of Section 6-c.

This resolution is subject to a permissive referendum and the Town Clerk shall publish and post notice of permissive referendum pursuant to Town Law.

Offered by Councilman Richardson and seconded by Councilman Balcom.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 119-2019** to establish a General Reserve Fund for Economic Development. WHEREAS, The Chatham Town Board has established a Fund Balance Policy in order to maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates, and WHEREAS, The Town Board shall give consideration in striving to maintain an Unassigned Fund Balance (A917) of not less than 15% and not more than 25% of the of the appropriations of the current year's General Fund budget, and WHEREAS, In the event that the Unassigned Fund Balance (A917) is more than 25% of the prior year appropriations in the General Fund, the Town Board shall give consideration in placing the excess into one or all of the following Reserve Funds: 1) General Reserve Fund for Crellin Park (A870); 2) General Reserve Fund for Economic Development (A870: sub-A876); 3) Capital Reserve Fund for Municipal Buildings (A878); 4) Reserve Fund for Contingency and Tax Stabilization (A880); or, 5) other fund as appropriate, NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 6-c of the General Municipal Law, as amended, there is hereby established a reserve fund to be known as the "General Reserve Fund for Economic Development" (hereinafter "Reserve Fund"). The purpose of this Reserve Fund is to accumulate moneys to finance the economic development programs within the Town of Chatham. The type of development to be financed from the Reserve Fund are expenditures for planning and development of the business and industrial zones, planning and provision of affordable housing, and other economic development activities. The initial deposit into this General Reserve Fund for Economic Development (A870: sub-A876) shall be \$50,000.

The chief fiscal officer is hereby directed to deposit and secure the moneys of this Reserve Fund in the manner provided by Section 10 of the General Municipal Law. The chief fiscal officer may invest the moneys in the Reserve Fund in the manner provided by Section 11 of the General Municipal Law, and consistent with the investment policy of the Town of Chatham. Any interest earned or capital gains realized on the moneys so deposited or invested shall accrue to and become part of the Reserve Fund. The chief fiscal officer shall account for the Reserve Fund in a manner which maintains the separate identity of the Reserve Fund and shows the date and amount of each sum paid into the fund, interest earned by the fund, capital gains or losses resulting from the sale of investments of the fund, the amount and date of each withdrawal from the fund and the total assets of the fund, showing cash balance and a schedule of investments, and shall, at the end of each fiscal year, render to the Board a detailed report of the operation and condition of the Reserve Fund.

Except as otherwise provided by law, expenditures from this Reserve Fund shall be made only for the purpose for which the Reserve Fund is established. No expenditure shall be made from this Reserve Fund without the approval of this governing board and such additional actions or proceedings as may be required by Section 6-c of the General Municipal Law or any other law, including a permissive referendum if required by subdivision 4 of Section 6-c.

This resolution is subject to a permissive referendum and the Town Clerk shall publish and post notice of permissive referendum pursuant to Town Law.

Offered by Councilman Richardson and seconded by Councilman Balcom.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•Resolution 120-2019 to establish a Capital Reserve Fund for Municipal Buildings.

WHEREAS, The Chatham Town Board has established a Fund Balance Policy in order to maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates, and WHEREAS, The Town Board shall give consideration in striving to maintain an Unassigned Fund Balance (A917) of not less than 15% and not more than 25% of the of the appropriations of the current year's General Fund budget, and WHEREAS, In the event that the Unassigned Fund Balance (A917) is more than 25% of the prior year appropriations in the General Fund, the Town Board shall give consideration in placing the excess into one or all of the following Reserve Funds: 1) General Reserve Fund for Crellin Park (A870); 2) General Reserve Fund for Economic Development (A870: sub-A876); 3) Capital Reserve Fund for Municipal Buildings (A878); 4) Reserve Fund for Contingency and Tax Stabilization (A880); or, 5) other fund as appropriate,

NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 6-c of the General Municipal

Law, as amended, there is hereby established a reserve fund to be known as the “Capital Reserve Fund for Municipal Buildings” (hereinafter “Reserve Fund”). The purpose of this Reserve Fund is to accumulate moneys to finance the cost of repairs to buildings, infrastructure, and equipment. The types of repairs to be financed from the Reserve Fund are not recurring in nature and are one-time expenditures. The initial deposit into this Capital Reserve Fund for Municipal Buildings (A878) shall be \$75,000.

The chief fiscal officer is hereby directed to deposit and secure the moneys of this Reserve Fund in the manner provided by Section 10 of the General Municipal Law. The chief fiscal officer may invest the moneys in the Reserve Fund in the manner provided by Section 11 of the General Municipal Law, and consistent with the investment policy of the Town of Chatham. Any interest earned or capital gains realized on the moneys so deposited or invested shall accrue to and become part of the Reserve Fund. The chief fiscal officer shall account for the Reserve Fund in a manner which maintains the separate identity of the Reserve Fund and shows the date and amount of each sum paid into the fund, interest earned by the fund, capital gains or losses resulting from the sale of investments of the fund, the amount and date of each withdrawal from the fund and the total assets of the fund, showing cash balance and a schedule of investments, and shall, at the end of each fiscal year, render to the Board a detailed report of the operation and condition of the Reserve Fund.

Except as otherwise provided by law, expenditures from this Reserve Fund shall be made only for the purpose for which the Reserve Fund is established. No expenditure shall be made from this Reserve Fund without the approval of this governing board and such additional actions or proceedings as may be required by Section 6-c of the General Municipal Law or any other law, including a permissive referendum if required by subdivision 4 of Section 6-c.

This resolution is subject to a permissive referendum and the Town Clerk shall publish and post notice of permissive referendum pursuant to Town Law.

Offered by Councilman Richardson and seconded by Councilman Balcom.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 121-2019** to establish a Capital Reserve Fund for Highway.

WHEREAS, The Chatham Town Board has established a Fund Balance Policy in order to maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates, and

WHEREAS, The Town Board shall give consideration in striving to maintain an Assigned Unappropriated Fund Balance (DB915) of not less than 40% of the appropriations of the current year’s Highway Part-Town Fund budget., and WHEREAS, In the event that the

Assigned Unappropriated Fund Balance (DB915) is more than 40% of the prior year appropriations in the Highway Part-Town Fund, the Town Board shall give consideration in placing the excess into one or all of the following Reserve Funds: 1) Capital Reserve Fund for Highway (DB878); 2) Reserve Fund for Contingency and Tax Stabilization (DB880); or, 3) other fund as appropriate, NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 6-c of the General Municipal Law, as amended, there is hereby established a reserve fund to be known as the "Capital Reserve Fund for Highway" (hereinafter "Reserve Fund"). The purpose of this Reserve Fund is to accumulate moneys to finance the cost of machinery and equipment. The deposit into this Capital Reserve Fund for Highway (DB878), including the amount from proceeds of sale of equipment, shall be \$84,716.40.

The chief fiscal officer is hereby directed to deposit and secure the moneys of this Reserve Fund in the manner provided by Section 10 of the General Municipal Law. The chief fiscal officer may invest the moneys in the Reserve Fund in the manner provided by Section 11 of the General Municipal Law, and consistent with the investment policy of the Town of Chatham. Any interest earned or capital gains realized on the moneys so deposited or invested shall accrue to and become part of the Reserve Fund. The chief fiscal officer shall account for the Reserve Fund in a manner which maintains the separate identity of the Reserve Fund and shows the date and amount of each sum paid into the fund, interest earned by the fund, capital gains or losses resulting from the sale of investments of the fund, the amount and date of each withdrawal from the fund and the total assets of the fund, showing cash balance and a schedule of investments, and shall, at the end of each fiscal year, render to the Board a detailed report of the operation and condition of the Reserve Fund.

Except as otherwise provided by law, expenditures from this Reserve Fund shall be made only for the purpose for which the Reserve Fund is established. No expenditure shall be made from this Reserve Fund without the approval of this governing board and such additional actions or proceedings as may be required by Section 6-c of the General Municipal Law or any other law, including a permissive referendum if required by subdivision 4 of Section 6-c.

This resolution is subject to a permissive referendum and the Town Clerk shall publish and post notice of permissive referendum pursuant to Town Law.

Offered by Councilman Richardson and seconded by Councilman Balcom.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 122-2019** authorizing Public Hearing for Local Law No. 3 of 2019
Procurement Policy

WHEREAS, the Town Board desires to enact Local Law Number 3 of 2019 to delete the provisions of Town Code sections 56-1 through 56-7 to provide the establishment and modification of Procurement Policy and Procedures by the Town in resolution form rather than by amending the Town Code, and WHEREAS, a public hearing is required before the enactment of said local law, NOW, THEREFORE, BE IT RESOLVED, that the Town Board of the Town of Chatham hereby directs that a public hearing will be held by the Town Board of the Town of Chatham on Thursday, June 6, 2019 at 6 p.m. at the Town of Chatham Town Hall to hear all interested parties regarding adoption of proposed Local Law entitled Local Law No. 3 of the year 2019 to delete the provisions of Town Code Chapter 56 and to amend the Town Code to permit the Town Board to establish and modify the Town Procurement Policy and Procedures by resolution, and BE IT FURTHER RESOLVED that the Town Clerk is hereby directed to publish notice of public hearing in the official newspaper as designated by the Town Board and that copies of said proposed Local Law are available for review at the Town Clerk's Office. Offered by Councilman Richardson and seconded by Councilman Wapner.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

•**Resolution 123-2019** to approve Host Compliance agreement.

Motion to table RES. #123-19 was made by Councilman Balcom. Seconded by Councilman Weldon and carried.

***Resolution 124-19** Authorize Fund Appropriations

WHEREAS, on November 15, 2018, the Town of Chatham budget for 2019 was adopted and funds were appropriated by the Chatham Town Board; and **NOW THEREFORE, BE IT RESOLVED**, that the Chatham Town Board authorizes the appropriation changes as follows:

Transfer From	Transfer To	Amount	Budget	Expense
A1990.4/Contingency	A1110.492/Justice/Audit by PKHB	\$ 40.00	\$ 2,000.00	\$ 2,040.00
A1990.4/Contingency	A5132.422/Garage/Propane	\$ 6,312.00	\$ 3,200.00	\$ 6,312.00
A1990.4/Contingency	A5132.442/Garage/Heater Rental	\$ 3,339.24	\$ 300.00	\$ 3,339.24
A1990.4/Contingency	A9050.80/Parks/Unemployment	\$ 122.00	\$ 4,000.00	\$ 4,122.00
DB5110.488/ Maint of Roads/Crack Sealant	DB5110.484/Maint of Roads/Culverts	\$ 6,648.00	\$ 6,000.00	\$ 12,647.77

NOTES:

- Justice Audit expense increased by \$40.00.
- Highway Garage Propane & Heater rental cost due to new Heating System not yet installed.

Transfer will be for total amount used for this rental & propane as Hwy will need \$ in budget for original expenses budgeted.

- Unemployment due to seasonal employee from Crellin Park.
- Increase in culvert costs due to culvert pipe assessment with Trout Unlimited showing more culvert replacements needed.

Offered by Councilman Weldon and seconded by Councilman.

VOTE

AYE: Lull Balcom, Richardson, Wapner, Weldon NAY: None Resolution adopted

EXECUTIVE SESSION - ATTORNEY CLIENT PRIVILEGE

Motion was made by Councilman Wapner to enter executive session at 7:40 PM under Public Officers Law section 105 (d) to discuss matters pertaining code enforcement and Riders Mills culvert. Seconded by Councilman Weldon and carried.

Motion to leave executive session at 8:10 PM was made by Councilman Weldon seconded by Supervisor Lull and carried.

•PUBLIC COMMENT

None

On a motion by Councilman Weldon and a second by Councilman Wapner the meeting adjourned at 8:12 PM. Motion carried.

Respectfully submitted by,

Beth Anne Rippel, Town Clerk